G. R. S. IX-5]

Previous references.

Laws 50-1685-6
22-1781-2

192

Secretary

File No. 80-18

Serial Nos. 1-5

Later references.

GENERAL AND REVENUE SECRETARIAT.

P. 24
E

Serial Nos. 1-5

Part B for Feby 1920.

SUBJECT.

Proposals of the Subj. Committee on the results of investigation of Deck Survey of Sagar & Lakshmi passages Hobli

---

Papers filed as the order was to issue in the Gen Secretariat.

WD 1888—GPB—16,826—23-7-21

G. R. S. III-1] 1918-19

GENERAL AND REVENUE SECRETARIAT

(Sanitary.)

NOTES.

File No. 5001/18

FILE HEADING.

Debt Survey in Mahad.

From

The D.C. & Chairman, M. D., Shimoga.

No. C.468(17-18) Dated 27.1.19. Received 29.1.19.

Diary No. 1611/19] Enclos. 2. Spare Copies. — [Serial No. 1

BRIEF ABSTRACT OF LETTERS.

Fds a copy of the proposals of the Sub-Committee on the results investigation of Debt Survey of Saga & Lakshmipur hobblis & states that the opinion of the Regr of Co-operative Societies to whom the proposals have been sent is awaited & that the final report regarding the Malarial Survey of Naga &c. has been sent & the Sany. Comr & the Dt. Sany. Offr, Shimoga.

NOTES AND ORDERS.

1) The conducting of "Debt Survey" in Saga & Lakshmipur hobblis was sanctioned in G.O. No. 5553-7/San.50-16-6 dated 24-Feb-1917 & the (herewith) proposals). The Sub-Committee's Report now received from the D.C. shows that out of a total No. of 2093 families investigated, only 444 families have no debts; of the remaining 1,649 families, 323 are those whose existing debts are within 2 times their annual net earnings, 431 are

NOTES—First Sheet.

806

G. R. S. III-2]

General and Revenue Secretariat. | Sav File No. 80 of 1918-19

Serial No.

landed proprietors and the rest 795 belong to the Landless class. The remedial measures for the relief of the above families suggested by the Sub Committee are:-

(1) Advancing a sum of 1,7000 Rs. for the relief of the 323 families either thro' the existing Co-operative Societies or by the Spl. Rev. Offr. wherever such societies do not exist

(2) Formation of the* Land-bank (already recommended by the Dr. D. Committee) loans being advanced by the Bank either to the indebted landlords directly or thro' Co-operative Societies.

(3) Free grant of lands or concessionary rates of tenures with money advances for the purchase of seed grains and bullocks.

(4) Organization of Special Schools for Halepaiks Holeyars & Madigars and other landless classes

(5) Re-organization of Co-operative Stores or the inauguration of Govt depots for the supply of barest necessaries of life.

(7) The establishment of Co-operative Areca marts for the sale of this important produce.

2) Submitted. This was ordered to be put up by the Offg. Dewan on the Dappal Abstract of 29.1.19 recd in Branch on 4.2.19.

3) The D.C & Chairman, M.D., Shimoga, 5/2/19. States that the Report of the Sub Committee who Considered the Question of debt Survey has been sent to the

* The question is being considered by the Agricultural Committee of the Ec. Conference

NOTE—Contn. sheet.

WD A 1789—GPB—60,000—20-3-18—S.

G. R. S. III-2]

General and Revenue Secretariat. | File No. 80 of 1918-19.

Serial No.

Registrar of Cooperative Societies on the 9th Oct. 1918 for an expression of opinion & his copy is awanted & he has now sent only a copy of the report of the Sub Committee. The full report of the main Committee after the return of the Sub Committee's report from the Registrar of Cooperative Societies may perhaps be awanted

6) This has to be sent to the Dewan as he has ordered this to be taken up on the Taluk Abstract.

D. M. 6/2

Chiefsec?)

5) In general

2nd member

Dewan

D. M. 6/2

6) Seen.

7) A meeting of the full Committee at Chikmagalur on Monday 17th March next has been arranged & I am to preside at it. This matter will be discussed on the occasion if possible. Meantime the Registrar of Co. S. may be asked to expedite the submission of the expression of his opinion on the Sub Committee's proposals

L 388-17.7
10-2-19

put up draft

Secy. to Govt. P. W. D. 15/2

4503
12-2-19.

NOTE—Contn. sheet.

Sd/ Illegible

11.2.19

WD A 1789—GPB—60,000—20-3-18—S.

G. R. S. III-2]

General and Revenue Secretariat.

Law File No. 80 of 1918.19

Serial No.	
	9/ [illegible]
	15-2-19
	688
2	To The Registrar Co-operative Societies No 18230 dt 22.2.19. Bangalore Requests to expedite the submission of his opinion on the proposals of the Sub Committee, forwarded by the Secretary Rural Improvement Committee Shimoga on the result of the Debt Survey Conducted by the Co-operative Inspectors in the Sagar and Chikmagalur talukas.
	No reply has yet been received. Submitted with a D.O. reminder for orders.
	9/12/19
3	From the Registrar Co-operative Societies No 8826 dt 11th Dec 1919. With reference to Sl 2 states that the views have been furnished to the Rural Economic Conference and that the question is under active consideration of the Agriculturist Committee of the Economic Conference.
	Submitted for orders.
	17-12-19
14	Ask Secy Agrl Coll in what stage the matter is.

NOTE—Contn. sheet.

WD A-1789—GPB—60,000—20-3-18.

G. R. S. III-2]

General and Revenue Secretariat.

Rey File No. 80 of 1918.

9315
13733

Serial No.	
	(3) Submitted with a draft proposal Rec 22/12
	Sec (Member) 16/12/19 Rec 22/12
3029 / 23724	4 To The Secy Agriculture Committee Ref Economic Conference 23/12
	No 15282 dt 7-1-20 Enquiries in what Rly (5) Done the matter stands — Rec 7/1/20
Draft 9/1	
PROTECTION BRANCH. 12 JAN 1920	
	5 From the Secy Board of Agriculture No 1667 of 22nd/23rd Jany 1919 State that the scheme for the opening of a Land mortgage Bank on a ~~Co~~ co-operative basis has been subd to Govt under Dept of Education & Agriculture Submitted. Enquire if copy of order on the question will be awaited?
19/ Yes DCS 29/1/20	
	(8) HH 28.1.20 It is not known what the results of the debt survey are.
688 28/1	(9) These results can be gathered to some extent from Appendix C which accompanies Shimoga Dy Commr's letter dated 27th Jan 1919. Submitted to the 2nd Member for perusal. DCS 29/1/20
9 3756 29.1.20	RIAI FEB 1920 Secy 4/2 DCS
NOTE—Contn. sheet.	

WD A 1789—GPB—60,000—20-3-18—S.

OFFICE OF THE MALNAD IMPROVEMENT COMMITTEE. SHIMOGA DISTRICT.

Dated Shimoga the 27th January 1919

CH 68(17-18)
En 2

No. 10119

From.

M.A. Narayanayangar, Esq., B.A., B.L.,
Deputy Commissioner & Chairman,
Malnad Improvements, Shimoga.

To.

C.S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to Government
of Mysore, Bangalore.

Sir

There is some difficulty in tracing this reference. It is being done by the records
G.S
6-2

Adverting to Government Order No. 6581 dated the 23rd May 1918 and the subsequent reminder thereon No. 12082 dated the 30th December 1918 calling for submission of reports of "Debt Survey" I have the honor to state as follows:-

The results of investigation of Debt Survey of Sagar and Laxmipur hoblies were referred by the Malnad Improvement Committee to a Sub-Committee for submission of definite proposals. The Sub-Committee after consideration of the matter in all its aspects submitted their recommendations to the Malnad Improve-ment committee. The subject was discussed by the latter committee at the meeting held on the 20th August 1918 and it was resolved that the proposals of the Sub-Committee may be sent to the Registrar of Co-operative Societies for an expression of his opinion. The Registrar has accordingly been addressed in Secretary's letter No. A dated the 24th Oct 1918 and his reply in the office is being awaited. A copy

17-18

WD 0463—GPB—3,00,000—21-7-17—S.

191

From The Deputy Commissioner and Chairman, Taluq Improvement Committee Shimoga

To The Chief Secretary to The Government of Mysore Bangalore

Dated

Despatched 27th January 1919

Received

General No. C 468(17-18)

No. 56677

Enclosure No. ~~6~~ Two.

Submits an intermediate report on the "Special Census", "Debt-Survey" and "Malarial Survey"

Sec 29/1/19
4-45
Pm
31/1
111
SECTION BRANCH

of the proposals of the Sub-Committee as also a copy of the District Committee's resolution are submitted herewith for perusal.

2. The report of special census of the Tirthahalli taluk has been forwarded with my× letter No. 492 dated the 25th January 1919.

× being dealt with separately.

3. As regards the Malarial Survey of Nagar taluk it is learnt from the District Sanitary Officer, Shimoga, that the final report has been sent by him to the Sanitary Commissioner in Mysore, who has this day been addressed in the matter.

I have the honor to be,

Sir,

Your most obedient servant,

M A Narayana Rao

Deputy Commissioner & Chairman,

Malnad Improvements, Shimoga.

H.N.K.

Appendix "C"

Proceedings of the meeting of the Sub-Committee appointed to consider the results of Debt survey conducted by the Cooperative Inspectors in the Sagar and Laxmipur hoblies, held in the office of the Malnad Improvement Committee, Shimoga on Sunday the 25th August 1918

Present.

1. Mr. S.N. Appanna Iyengar, B.A., B.L., Special Revenue Officer and Convener.

2. " S.R. Balakrishana Rao, B.A., LL.B., Advocate, Shimoga.

Absent.

1. " P. Gopalraj Urs, B.A., B.L., Assistant Commissioner Shimoga Sub-Division.

2. " P. Subba Rao, B.A., B.L., Assistant Commissioner Sagar Sub-Division.

Resolution:- From a perusal of the statements furnished by the Debt Survey Inspectors, it is found that out of a total number of 2,093 families investigated only 444 families have absolutely no debts, of the remaining families 323 have got debts, whose existing debts are within 20 times their annual net earnings who can therefore be said to be "Hopefuls".

2. As an immediate practical remedial step the Sub-Committee proposes that needful recommendations may be made to Government for advancing one lakh and seven thousand rupees required for the relief of these 323 families either through the existing Co-operative Societies or by the Special Revenue Officer wherever such societies do not exist, the advances being made in the latter case under the takavi rules in force.

3. Of the remaining 1326 families, there are again 431 house-holders who are landed proprietors, while the rest i.e. 795 families belong to the landless class.

89 (1)

4. For the relief of the former class of people, the Sub-Committee is of opinion that the formation of the proposed Land-bank, as already recommended by the Malnad Improvement Committee, may be expedited so that long term loans for the discharge of existing debts, and short term loans for working expenses, may be granted as far as possible to people with tangible security. These loans may be advanced by the Bank either to the indebted land-lords directly or through Co-operative Societies without any share capital specially formed for this purpose.

5. The question of affording relief to the land-less people is very difficult of solution. The free grant of lands on concessionary rates of tenure with money advances for the purchase of seed grains and bullocks as recommended by the Malnad Improvement Committee may go some way to help these people. These money advances may be made through groups of Co-operative Societies specially formed for the purpose. The lands should be made inalienable for about 10 years in the least, lest they may be attached by creditors.

6. Special schools for Halepaikas, Holeyars and Madigars and other land-less classes should ~~be~~ simultaneously be organized.

7. In the opinion of the Sub-Committee the following general measures of relief are immediately called for to solve the question of malnad indebtedness.

(1) The organization of Co-operate stores for the supply of barest necessaries of life, if this is not possible, the inauguration of even Government Depots would go along way to free the small landed proprietors and the landless classes of the malnad, from getting into heavy debts by having to buy from Sowcars who are in many cases general merchants themselves.

(2) The establishment of Co-operative Areca Marts is also necessary to be formed for the sake of this - -

(10

important produce which is now entirely in the hands of a few rich and influential middle-men who make enormous profits.

Sd/ S.N. Appanna Ivengar,
Spl. Rev. Officer.

" C O P Y "

Deputy Commissioner & Chairman,
Malnad Improvements, Shimoga.

C11

Proceedings of the first meeting of the Malnad Improvement Committee, Shimoga, held on the 20th August 1918.

X X X X

13. Proceedings of the Sub-Committee appointed to consider the report on "Debt Survey" furnished by the Co-operative Inspector on special duty. (Appendix "C")

Resolved that a copy of the proceedings of the Sub-Committee may be sent to the Registrar of Co-operative Societies in Mysore for an expression of his opinion in the matter.

X X X X

Sd/ S.N. Appanna Ivengar, Sd/ M.A. Narayanayangar,
Secy., M.I.C., Shimoga. Deputy Commissioner & Chairman,
M.I.C., Shimoga.

"Extract"

Deputy Commissioner & Chairman,
M.I.C., Shimoga.

(12

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to.....

Section Coin
File No. 80-18
Serial No. 2

GENERAL AND REVENUE SECRETARIAT,
( )
, *the* 191 .

No. G 18230

Date of issue..... 22/2/19

Signed by.....

To

The Registrar of
Co-operative Societies
Bangalore

Sir

I am directed to request
~~to~~ your opinion on the enclosed submission
you to be so kind as to ~~submit~~
~~to~~ your opinion on the proposals of
the Sub-Committee forwarded to
you by the Secretary, Madras
Improvement Committee (with his
No. A dated the 24th October 18,
on the results of the Debt Survey

over.

13

Conducted by the Co-operative

Inspectors in the Sugar & Lax Industries.

I have the

[illegible]

[illegible] 1916

for Chief Secretary

B&B

1916

List of enclosure

Copied by

Examined by

WD 86—GPB—60,000—15-11 16

(14

Department of Co-operation.

TELEGRAPHIC ADDRESS:
"CO-OPERATOR," BANGALORE.

OFFICE OF THE
REGISTRAR OF CO-OPERATIVE SOCIETIES
IN MYSORE.

No. 8826 C. S.

ENCLS. nil

Dated, Bangalore 11th December 1919.

DIARY No. 9315

SECTION San

FILE No. 80-18

SERIAL No. 3

From

R. RANGA RAO, ESQ., B. A., B.L.,
Registrar of Co-operative Societies in Mysore,
BANGALORE.

To C.S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to the Government
OF H. H. THE MAHARAJA OF MYSORE,
Depts. of Education and Agriculture,
BANGALORE.

SIR,

With reference to your letter No.G.18230/San.80-18-2 dated 22nd February 1919 calling for my views on the results of the Malnad Debt Survey I have the honor to state that they have been furnished to the Mysore Economic Conference with the draft byelaws of a Co-operative Land Mortgage Bank. The question is, I may add, under the active consideration of the Agricultural Committee of the Economic Conference.

I have the honor to be,

Sir,

Your most obedient servant,

R. Ranga Rao

REGISTRAR.

HW

191 —191

From

R. RANGA RAO ESQ., B. A., B.L.,

Registrar of Co-operative Societies

IN MYSORE.

13475

To Chief

The Secretary to the Government

OF H. H. THE MAHARAJA OF MYSORE,

~~*Depts. of Education and Agriculture,*~~

BANGALORE.

Dated Bangalore 11. 12. 1919.

Despatched

Received

General No. 8826 C. S.

Enclosure No. nil

Subject - regarding the Co-operative Land Mortgage Bank

SECRETARIAT III Sec

PROTECTIVE 13 DEC 1919

(15

3/1

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to.....

Section San

File No. 80-18.

Serial No. 4.

GENERAL AND REVENUE SECRETARIAT

( )

, *the* 191 .

No. 15282(1)

Date of issue..... 7/1

Signed by..... W. Jun 7/1/17

To

The Secretary, Agricultural Committee, Economic Conference

Sir,

In forwarding herewith copy of letter no. 8826 dt. 11th Dec. 1919 from the Registrar of Co-operative Societies regarding Malkad Debt surveys, I am directed to enquire in what state the matter stands.

I have etc

Jun 22/1/17

for Chief Secy.

Sir,

over.

Dr. Hertzog.

G.O. No. 13733 (16

Sanc 80-18-5

Office of the Board of Agriculture

Bangalore, 22nd January 1920

SERIAL No.

No 1667
Le 2.

GEN. DEPT. OFFICE
Chief Secy
24 JAN 1920

From

S. N. APPANNA IYENGAR, Esq., B.A., B.L.,

Secretary, Board of Agriculture,

Bangalore.

19.55

To

C.S.Balasundaram Iyer, Esq, B.A.,

Chief Secretary to the Government of His Highness the Maharaja of Mysore, Bangalore.

Sanc 24-1-20

W. H. SECRETARIAT. 111 PROTECTION BRANCH. 26 JAN 1920

Sir,

With reference to your letter No.G.15282/San 80-18-4, dated 7th instant, enquiring in what stage the question of the Malnad Debt Survey stands, I am directed to state that the question of starting a Land Mortgage Bank on a co-operative basis, was referred by the Secretary, Departments of Education and Agriculture, with a draft scheme, prepared by the Registrar of Co-operative Societies in Mysore.

The bill was thereupon referred by the Agricultural Committee to a Special Committee who went into the matter in detail and submitted their recommendations to the Agricultural Committee. These recommendations were considered by the Agricultural Committee at their 77th meeting, held on 22nd December 1919, and the scheme, as amended by the Special Committee, was approved with a few verbal alterations.

Needful reference has been made in the matter to Government in the Departments of Education and Agriculture (No. 1556 E.1. dated 12/15th January 1920.)

A copy of the Committee's Resolution together with

(1)

the rules as modified is submitted for the information of Government.

I have the honor to be,

Sir,

Your most obedient servant,

Secretary.

M.S.

(18

Extract of para 4 from the Proceedings of the 77th meeting of the Agricultural Committee, held on 22nd December 1919.

======

Scheme for providing financial Assistance to Agriculturists in the Malnad.

4. Read the report of the Special Committee, appointed to discuss the draft scheme of the Registrar of Cooperative Societies, for providing financial assistance to agriculturists in the Malnad, which met on 10th and 12th September 1919.

(1) The draft rules were carefully gone into and the Committee approved of the scheme submitted by the Sub Committee with a few verbal alterations. The rules as finally approved are appended as an enclosure.

Resolution XIII. It was resolved that the scheme received from the Sub Committee be approved and submitted to Government for sanction.

(ii) The resolution of the Sub Committee recommending the draft Bill drawn up by the Central Committee for Malnad Improvement for affording relief to indebted ryots in the Malnad was next considered.

The sense of the meeting was that the scope of the draft bill need not necessarily be confined to the Malnad but could be extended both to the maidan and the malnad, discretion being left to Government to declare the areas to which the bill may be made applicable.

Resolution XIV. The wording of the bill was accordingly altered and the Committee resolved that the draft bill, as now amended, be submitted to Government for consideration.

" Copy "

M. Appanniah
Secretary.

M.S.

(6)

Mysore Economic Conference

Agricultural Committee.

==========

Report of the Special Committee constituted to discuss the draft scheme ~~x~~ of the Registrar of Co-operative Societies in Mysore for providing financial assistance to agriculturists to the Malnad which met at "Ringwood" on 10th and 12th September 1919.

Present.

K.Chandy, Esq, B.A.,
K. Matthan, Esq, B.A.
R. Ranga Rao Esq, B.A.,B.L.
N.Narasinga Rao, Esq, N. Rama Rao Esq B.A.B.L.
R.Gopalsami Iyer Esq,
The Secretary, Agricultural Committee.

Read the draft scheme and Mr. Hoskappa Krishna ~~Rao's~~ Rao's Note on the subject:-

After a thorough discussion of the scheme, the Sub Committee accepted the principle of co-operation with regard to the proposed Bank, and they also resolved that the operation of the Bank should not be confined to the Malnad but should be thrown open to the whole State as agricultural indebtedness was not a peculiar malady confined only to the Malnad, the outlook in the Malnad parts of the State being also as bad as, if not worse, than in the Malnad.

The scheme was then discussed in detail. The Sub Committee resolved ~~x~~ to adopt ~~it~~ it with some modifications (vide printed copy).

With regard to the Malnad, the Sub Committee recorded the following resolution:-

From the results of the investigations into the indebtedness of the Hoblis of Nagar and Sagar, it will be seen that nearly 75% of the debtors would not benefit by any Land Mortgage Bank unless special legislative measures were adopted on the lines of the Deccan Agriculturists Relief Act. This Sub Committee would therefore strongly recommend the early passing of an Act on the lines of the draft bill submitted by the Central Committee for Malnad Improvement.

The draft bill for the relief of the Malnad indebtedness:

(20

"Preamble-Whereas it is expedient to relieve agricultural indebtedness in the malnad portions of the State, His Highness the Maharaja is pleased to enact as follows;

1. Short title-This Regulation may be cited as "the Mysore Land Mortgage Ryots Relief Regulation".

2. Commencement-It shall come into force on the first day of July 1917.

3. Local Extent- It extends to such portions of the State as may from time to time be notified by Government in the Official Gazette.

4. Definition-In this Regulation, 'raiyat' means a person who holds land either as registered occupant, co-occupant, Co-sharer or tenant and whose sole or principal occupation is agriculture.

5. Raiyat may sue for account-A raiyat may sue for an account of the debt due by him including principal and interest and for a decree directing that the amount so found due shall be payable in instalments.

6. Raiyat may apply for amendment of decree already passed-A raiyat against whom a decree has been passed may apply to the Court for an amendment of the decree, directing that the amount of the decree remaining unpaid shall be payable in instalments.

7. Powers of Court-In a suit under Section 5, or in an application under Section 6, or in the case of a suit by the creditor of a raiyat, on the application of the raiyat for an account being taken of his debt, the Court may direct payment of money found due by such raiyat to be made in such number of annual instalments with or without interest, as the Court, having regard to all the circumstances of the transactions between the parties and the means of the raiyat, may deem fit to fix."

This Sub Committee would also go further and suggest that an additional clause may be added empowering Civil Courts to reasonably reduce the rate of interest, whenever necessary, on any bond pertaining to any suit before them.

The Mysore Land Mortgage Association.

1. This association shall be called the "Mysore Land Mortgage Association."

2. The offices of the Association shall be situated at Bangalore.

3. The object of the Association is to grant loans to members provided that such members reside or own immovable property in the State.

4. The liability of the members of this association shall be limited to the value of the shares, held by them in the Association.

(4

5. There shall be 20,000 shares in the Association of the value of Rs 50 each.

6. Membership of the association is open to every subject of His Highness the Maharaja of Mysore who is legally capable of entering into a contract.

7. Every member of the Association must take at least one share and no member can own more than 100 shares in the Association.

8. Shares are not withdrawable nor transferable except with the sanction of the Association.

9. The funds of the Association shall include share capital, loans, deposits, grants and other miscellaneous items but at no time shall the liabilities of the Association exceed the sum of Rs 50,00,000.

10. The Association shall not grant loans below Rs 1,000 nor above Rs5,000 ordinarily, provided that where a loan is granted to a Co-operative Society for the use of its members, the amount of the loan shall not exceed Rs 20,000.

11. Loans, granted by the Association shall bear interest not exceeding 7, per cent per annum, except for Short Term Loans under Rule 5.

12. Loans granted by the Association shall be repayable in equal yearly instalments not exceeding 30. Nothing in this bye-law shall be considered to preclude the borrower from repaying his loan wholly or in part, in cash or in mortgage.

13. The loan and the interest shall be discharged by a system of equated payments.

14. The working expenses of the Association may be recovered by the levy of a charge, not exceeding half per cent, per annum, on the loans granted by the Association.

15. Loans shall be granted by the Association only on the mortgage of immovable property except in the case of Short Term Loans which may, on suitable security, be granted for working expenses.

16. Loans granted by the Association shall not exceed 60 per cent of the value of the property which is mortgaged to the Association on account of those loans.

17. The valuation of the properties, offered as security for loans, shall be made by the Association in accordance with subsidiary rules

rules to be framed in that behalf.

18. Loans granted by the Association shall not be liable to be recalled so long as the annual instalments and other charges due thereon are duly paid, provided that if a loan is utilised for a purpose different from that for which it was granted and if the property on which it is secured is, in the opinion of the Association, allowed to diminish in value, the loan shall be recalled without reference to the terms on which it is granted.

19. The Association may issue mortgage bonds made out to the holders, bearing interest not exceeding 6 per cent per annum, and liable to be drawn for redemption within a period not exceeding 30 years.

20. Loans are also liable to be recalled:

1. If, after the grant of a loan, the information obtained regarding the property, the charges thereon and the rights of disposal thereof is found to be incorrect.

2. On the retirement of the borrower from the Association.

3. If the debtor remains more than one year in arrear with a payment due.

21. If, in any case, not expressly provided for above, the Committee of Management consider that a debt is in danger, they shall recall the loan with the approval of the Registrar of Co-operative Societies.

22. When a loan recalled by the Committee of Management is not repaid within 6 months from the date of recall, the Directors shall , in the excercise of the authority vested in them under Section 21, order a foreclosure of the mortgage and shall also have the power of distraint in the case of Short Term Loans; these orders shall have the same effect and shall be executed in the same manner as if passed by a competent Civil Court.

23. Bonds shall not be issued except with the sanction of Government and shall not exceed the claims pertaining to the Association on mortgage.

23

24. The Association shall draw for redemption by lot, as many mortgage bonds as its financial condition permits, or if the Association deems it preferable, it may repurchase its bonds instead of drawing them by lot.

25. The interest payable on mortgage bonds shall be guaranteed by the Government of His Highness the Maharaja of Mysore.

26. The Association shall be at liberty to effect a reduction in the rate of interest payable on any series of mortgage bonds, provided that option is given to the holders of such bonds to accept payment in cash at par value.

27. The administration of the Association shall be vested in the following:-

1. Committee of Management.
2. Board of Supervision, and
3. The General Meeting of the members of the Association.

28. Members of the Committee of Management and of the Board of Supervision must be members of the Association provided that the Government of His Highness the Maharaja of Mysore shall have the right to nominate two persons to the Board of Supervision, and one to the Committee of Management, whether members of the Association or not.

29. The Committee of Management shall consist of seven members six of whom are elected by the members and one is nominated by the Government of Mysore.

30. The Board of Supervision shall consist of seven members, five of whom are elected by the General meeting and two are nominated by the Government of Mysore.

31. The Committee of Management shall administer and conduct the affairs of the Association, prepare and issue agreements, declarations, etc., represent the Association by one of its members selected for that purpose at all legal proceedings. It shall also appoint, control and dismiss officials, like bookers, cashiers, clerks, local agents, etc.

32. The Board of Supervision shall control and supervise the conduct of business by the Committee of Management. In particular it will:-

(1) Cause the accounts of the Association to be audited

at least once a year by two of its members, who receive and pass the accounts of the Committee of Management:

2. present to the general meeting a statement of accounts;

3. prepare all instructions necessary for the carrying out of these bye-laws;

4. settle the principles of land valuation;

5. authorise the issue by the Committee of Management of mortgage bonds; and

6. decide appeals against the decision of the Committee of management.

33. The business transactions of the Association shall be supervised by the Registrar of Co-operative Societies.

34. The Registrar has the right:-

i. to require the summoning of a general meeting;

ii. to be present at the proceedings of the general meeting as well as at the meetings of the Committee of Management, and the the Board of Supervision; and

iii. to inspect the books and the cash balance of the Bank at any time.

35. The accounts of the Association shall be audited at least once a year by a duly certified auditor or by an officer deputed by the Mysore Government.

36. All other matters concerning the organisation and the working of the Association, as well as the remuneration, if any, which the Committee of Management, the Board of Supervision, the local agents and the auditors are to receive, shall be fixed by Regulations to be framed by the Association.

The Regulations shall require the approval of the Government of Mysore.

37. A reserve fund shall be formed by the Association for meeting any dificit in the balance sheet. To this shall be carried:-

1. a sum not less than 10 per cent of the net profits of every year;
2. the interest on the capital of this fund;
3. amounts not claimed; and
4. produce of drawn and expired mortgage bonds.

38. Except so far as is expressly provided for in these bye-laws, the Association shall be bound by the provisions of the Law on Co-operative Societies in Mysore.

"Copy"

M. Appaswamy

Secretary